

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY, CALIFORNIA
AND RECORD OF ACTION**

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April 6, 2004

FROM: LARRY WALKER, Auditor/Controller-Recorder
Auditor/Controller-Recorder

SUBJECT: APPROPRIATION LIMITS

RECOMMENDATION: Adopt resolution revising appropriation limits for fiscal year 2003-2004 for the County General Fund and all Board-Governed local entities requiring appropriation limits.

BACKGROUND INFORMATION: Limits on the appropriation of the proceeds of tax revenues are required to be established annually by Article XIII B of the California Constitution. These limits are required for all agencies receiving tax proceeds. Proposition 111, approved by the voters on June 6, 1990, allows governmental entities to use an alternative computation to determine appropriation limits when such calculation is of benefit to the entity.

On June 24, 2003, the Board approved the preliminary appropriation limits for fiscal year 2003-2004. During the preparation of the preliminary limits, data on one optional factor, the change in non-residential new construction, was not available.

Data on the change in the non-residential new construction factor is now available, permitting recomputation of the fiscal year 2003-2004 appropriation limits. The recomputed limits will increase appropriation limits for many of the agencies. Adoption of the recomputed appropriation limits for fiscal year 2003-2004 will enable agencies to continue to provide necessary levels of service in the year and succeeding fiscal years. The recomputed limits will not increase the fiscal year 2003-2004 budget.

REVIEW AND APPROVAL BY OTHERS: This item has been reviewed by County Counsel (Kevin L. Norris, Deputy County Counsel 7-4177) on March 3, 2004, Special Districts (Mark Berathold, Division Chief) on March 3, 2004 and the County Administrative Office (Tracy Lindsay, Administrative Analyst 7-4659) on March 17, 2004.

FINANCIAL IMPACT: This action will provide additional appropriation authority needed by San Bernardino County and all Board-Governed local agencies to continue operations at normal levels.

SUPERVISORIAL DISTRICT(S): All.

PRESENTER: Larry Walker, Auditor/Controller-Recorder

LW:SS:oac

Record of Action of the Board of Supervisors

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